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E.O. 12958: DECL: 03/20/2017  
TAGS: PTER PREL ETRD ASEC UY  
SUBJECT: EX-GUERRILLA'S INVOLVEMENT IN US BUSINESS DEAL  
RAISES RED FLAG

REF: A. 04 MONTEVIDEO 00554

1B. 04 STATE 135930

Classified By: Charge D'Affaires James D. Nealon  
for reasons 1.4 (B) and (D)

11. (C) This telegram contains an action request for the  
Department in paragraphs 1 and 6.

12. (S) Summary: It has recently come to our attention that a promising counter-trade deal between the GOU and U.S. firm General Electric (GE) includes the key participation of a nefarious former Tupamaro guerrilla named Henry ENGLER Golovchenko. Engler was credibly implicated in the 1970 murder in Uruguay of then-USAID Security Advisor Daniel Anthony Mitrione. As far as we can ascertain from old sensitive reporting, Engler was not a participant in the actual execution of Mitrione, but he is reported to have ordered the execution and provided the weapons used to kill him. The Embassy had been helping to broker the triangular deal among GOU ministries and the U.S. company, but upon learning of Engler's recent return to Uruguay and his planned prominent role in the project, we see his presence as an outright show stopper. Embassy seeks the Department's guidance on how best to proceed and whom to inform on this delicate matter. End Summary.

Counter-trade Deal

13. (C) Over the past few months, the Embassy has been helping to facilitate a creative deal worth \$12 million between General Electric and the GOU's ministries of Health, Energy and Agriculture. Under the terms of what amounts to a creative counter-trade agreement, GE would provide some of its sophisticated medical equipment to a Uruguayan cancer center in exchange for Uruguayan commodities such as rice, cement and wood chips. GE Trading would then sell the commodities on the world market. The deal would be a first for GE in Latin America and could pave the way for future even larger deals -- possibly including power generation plants. The project is well-advanced and was highlighted during the recent POTUS visit to Uruguay. But the problem (as we recently found out) is that Henry Engler is now a contracted advisor for GE who would play a prominent role in the medical portion of the project.

Brief Background

14. (S) On July 31, 1970 Daniel Mitrione, USAID Public Safety Advisor, AmEmbassy Montevideo, was driving from home to work when his vehicle was intercepted and hit by another vehicle.

Mitrione's police driver was disarmed. The kidnappers forced Mitrione out of his vehicle and a struggle ensued. Mitrione was shot in the thorax and kidnapped by Movimiento de Liberacion Nacional-Tupamaro (MLN-T) terrorist. Mitrione was transported to a "People's Jail" where his wound was treated by the kidnappers (two of whom were medical students). The Tupamaros demanded the release of 150 jailed comrades. The police engaged in a massive manhunt and arrested an additional 20 Tupamaro suspects. Three other U.S. Embassy officials were kidnapped in the same time frame (Rosenfeld, Jones and Fly). At some point during his ordeal Mitrione was allegedly castrated by Antonio Mas Mas, a medical student who later disappeared and may have died. On August 10, Mitrione was shot by Mas Mas and his body was left in a stolen car.

Henry ENGLER Golovchenko

¶ 5. (S) Engler was imprisoned during the Uruguayan military dictatorship, spending some 13 years in captivity. According to police records, he was a member of the MLN Executive Committee from 7 August 1970 until March 15, 1972. Engler was arrested on 17 August 1972, and remained in captivity until he was amnestied by President Sanguinetti in 1985. (Comment: We do not know if Engler was actually convicted of Mitrione's murder. End Comment.) According to open sources, Engler was responsible for the military section of the 15th (MLN-T) column and helped plan the Mitrione kidnap and assassination. Engler was not involved in the assassination itself but provided some or all of the weapons to Mas Mas. After his 1985 release, Engler moved to Sweden and completed medical school there.

¶ 6. (S) Engler is believed to be a Swedish citizen. He is presently Medical Director of the PET Center at the Uppsala University in Sweden. He travels widely in Europe, and

according to the Uruguayan press, may be nominated for a Nobel prize in medicine for his pioneering work in combating Alzheimer's disease. He apparently now works with General Electric and will manage a medical project at Hospital de Clinicas in Montevideo. In 2004, Embassy Montevideo attempted to reopen the investigation into Mitrione's murder, but the request was denied (reftels).

Comment:

¶ 7. (S) We have been spreading the message that the U.S. favors good relations with governments in the region that respect democracy, the rule of law and human rights, regardless of their political label. We also regularly interact with Tupamaros who represent a significant portion of the Frente Amplio government. However, we draw the line in dealing with individuals who were credibly involved in the kidnapping or murder of American citizens such as Dan Mitrione. Despite the promising aspects of the GE/GOU counter-trade deal, we think the Embassy should distance itself from this project and discreetly inform the interested parties that the reason is the involvement of Dr. Engler, no matter how much he has tried to rehabilitate his image. Our other main concern is that we do not wish to reopen old wounds from the Cold War any more than is necessary. This is because we have worked very hard to establish an excellent bilateral relationship with a pragmatic left-leaning government that for the most part eschews violence. Embassy requests the Department's guidance on how best to proceed and whom to inform in this delicate matter. End Comment.  
Nealon